

A. 107

To: Kelly, Martin[martin.kelly@lehman.com]
From: Azerad, Robert
Sent: Sun 9/21/2008 8:15:08 PM
Subject: 15c3 Lockup.ppt
Categories: urn:content-classes:message

15c3 Lockup.ppt

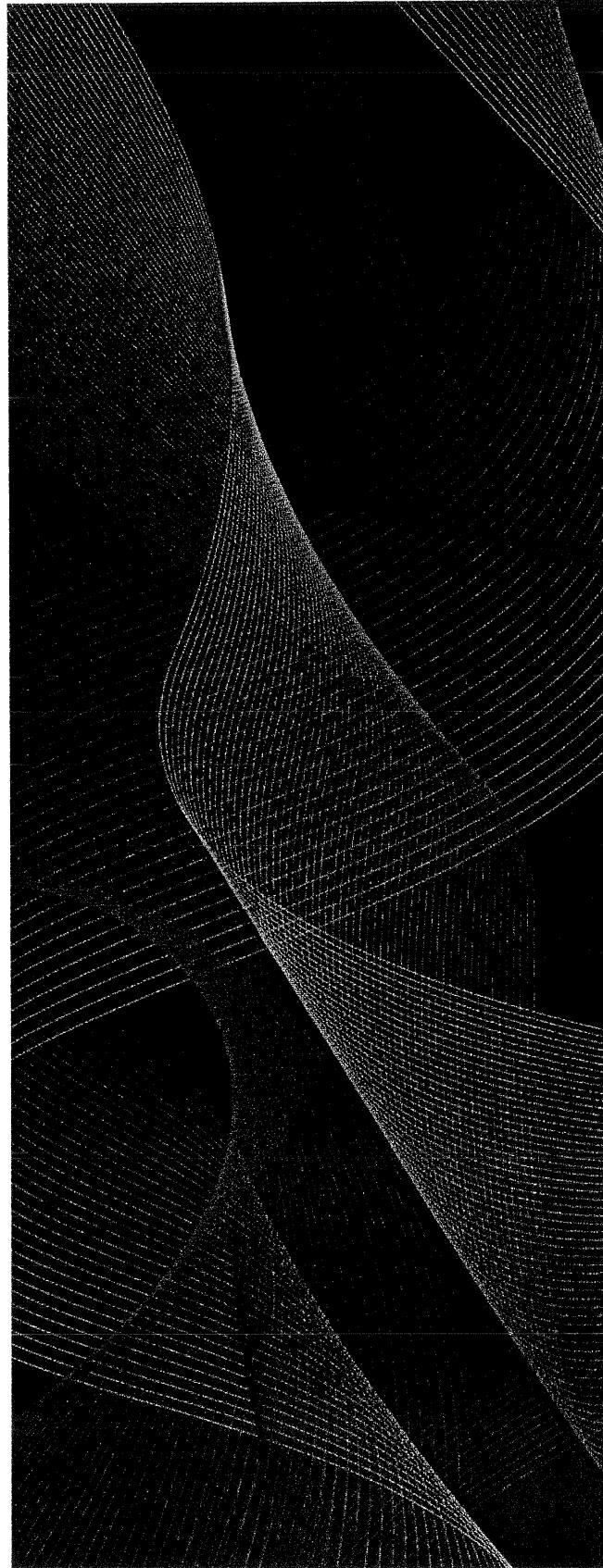
<<15c3 Lockup.ppt>>



LEHMAN BROTHERS

September 21, 2008

15c3 Lockup



\$1.2 bn Cushion Against Failed Trades

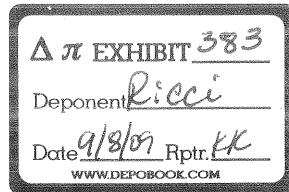
- ◆ Because Lehman Brothers relies on multiple trading systems, the cushion is assessed for each trading system
 - Fixed income securities (MTS) - \$394 million of Aggregate Debit Items ("ADI") can be released following an orderly liquidation of open customer fails
 - Equities (ADP) - \$573 million of ADI can be released following an orderly liquidation of open customer balances
 - Foreign securities (ITS) - \$228 million of ADI can be released following an orderly liquidation of open customer balances
 - Fx fails not related to securities transactions - \$457 million can be released related to non-trading related overdrafts (SEK 244 million and CAD 277 million of CAD)
 - PAIB - \$216 million can be released, which relates to the adjustment of PAIB long and PAIB short between primarily LBI and LOTC, Lehman Brothers "broker dealer lite"

A. 108

From: King, Stephen: Markets (NYK)
Sent: Sunday, September 21, 2008 8:29 PM
To: Ricci, Rich: Barclays Capital
Cc: Clackson, Patrick: Finance (LDN)

Current best estimate is the portfolio inc 7bn cash is 48.5 to 49bn.

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BCI-EX-00080668

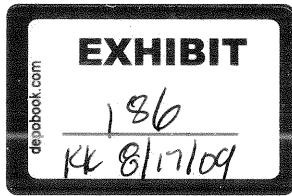
10334850

A. 109

To: Kelly, Martin [martin.kelly@lehman.com]; Tonucci, Paolo [paolo.tonucci@lehman.com]; O'Meara, Chris M (NY) [comeara@lehman.com]
From: Azerad, Robert [RAzerad@lehman.com]
Sent: Sun 9/21/2008 9:12:00 PM
Subject: 15c3 Lockup (Revised)

15c3 Lockup v2.ppt

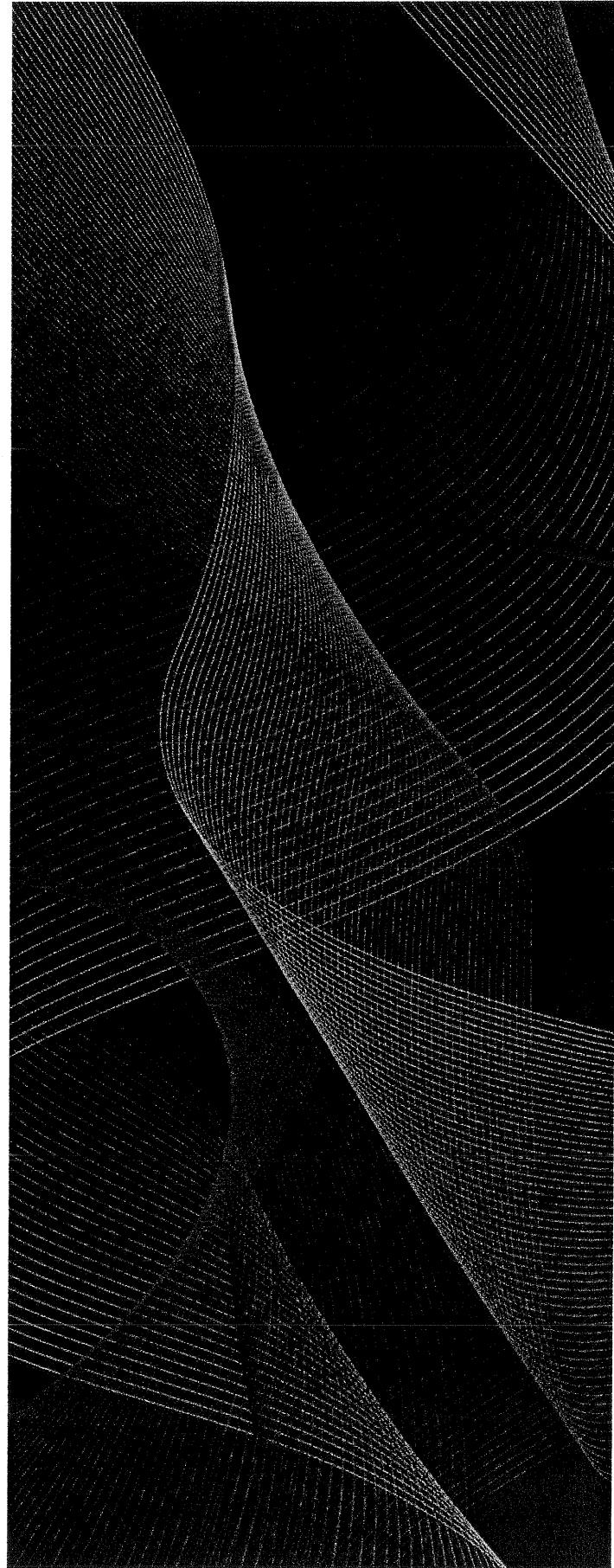
<<15c3 Lockup v2.ppt>>



LEHMAN BROTHERS

September 21, 2008

15c3 Lockup



\$X.X bn Cushion Against Failed Trades

- ◆ Out of the \$1.0 billion reserve held for the protection of customers as of last Friday, only \$200 million (approximately) is held for the benefit of customers transferring to Barclays (e.g., PIM (high net worth) customers).
- ◆ Although the excess of customer payables over customer receivables represents real customer claims that cannot be returned to Lehman Brothers / Barclays in a transfer scenario, the cushion against failed trades related to customers transferring to Barclays should be seen as a future source of cash for Barclays as the backlog of fails (both fails to deliver and fails to receive) clear up and the reserve gets released.
 - Assessment of this future benefit is in progress

A. 110

To: O'Meara, Chris M (NY)[comeara@lehman.com]; Lee, Mark[mark.lee@lehman.com]; Kelly, Martin[martin.kelly@lehman.com]; Azerad, Robert[RAzerad@lehman.com]; wburke@si.rr.com[wburke@si.rr.com]; Stucchio, Anthony[astucchi@lehman.com]; Stucchio, Anthony[astucchi@lehman.com]; Tonucci, Paolo[paolo.tonucci@lehman.com]; Crepeau, Alex F[acrepeau@lehman.com]
From: Potenciano, Joel
Sent: Sun 9/21/2008 10:07:59 PM
Subject: RE: Final 15c3-3 Reserve Formula as of 09/17/2008
Categories: urn:content-classes:message

Customer PAIB Reserve-091708.xls

<<Customer PAIB Reserve-091708.xls>>

Hi Chris,

Attached is the condensed summary that you requested. Please advise if this works or you have comments. We are still working on the 09/19 numbers as we have just received the reallocated amounts for ADP. Please let me know if you have questions.

Thanks!

With kind regards,
Joel K. Potenciano
LEHMAN BROTHERS
Telephone +1 (212) 320-6786
Fax +1 (646) 885-9383
Email joel.potenciano@lehman.com

>
> From: O'Meara, Chris M (NY)
> Sent: Sunday, September 21, 2008 5:25 PM
> To: Lee, Mark; Kelly, Martin; Azerad, Robert; Potenciano, Joel;
> 'wburke@si.rr.com'; Stucchio, Anthony; Stucchio, Anthony; Tonucci,
> Paolo
> Subject: RE: Final 15c3-3 Reserve Formula as of 09/17/2008
>
> Team - We need to make some changes to this. It is not easily clear
> which balances are truly customer related vs which are cushions, such
> as the ADI's. So, I suggest we show one date of info, broken into 5
> columns, as follows: Cust dr's, cust cr's, net customer balances,
> cushions, total balances. Can someone do this easily? At min, make 3
> separate columns: net cust, cushions, total. Thanks, Chris
>
>
> From: Lee, Mark
> Sent: Sunday, September 21, 2008 5:24 PM
> To: Kelly, Martin; Azerad, Robert; Potenciano, Joel;
> 'wburke@si.rr.com'; Stucchio, Anthony; O'Meara, Chris M (NY);
> Stucchio, Anthony
> Subject: RE: Final 15c3-3 Reserve Formula as of 09/17/2008

EXHIBIT

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PK 8/17/09

LEHMAN BROTHERS INC.
CONSOLIDATED 15c3-3 RESERVE FORMULA
AS OF SEPTEMBER 17, 2008
(in 000's)

	<i>09/17/2008</i>
	<u><i>TOTAL</i></u>
TOTAL CUSTOMER CREDITS ITEMS	24,754,847
TOTAL CUSTOMER DEBITS ITEMS	<u>23,929,337</u>
JET CUSTOMER CREDITS	<u>825,510</u>
% OF AGGREGATE DEBIT ITEMS	(717,880)
CUSHION	<u>225,610</u>
<u>CUSTOMER LOCK-UP</u>	<u>1,769,000</u>